SHRI YASHWANT SINHA: Sir, this question is also related to the earlier questions which I have answered. The whole question of permitting people of Indian origin, non-resident Indians, Indians returning from a visit abroad to bring certain quantities of gold in whatever form, in the form of jewellery or in the form of bars, all these questions will have to be considered I am saying this repeatedly because Chaturananji also raised this question. The point is that we should not take any steps which will affect our remittances. That is another angle which we have to keep in mind, that instead of getting remittances from them in foreign exchange, suppose we take steps which will increase the import of gold but will affect my remittances, then, it does not gain us anything So, that is why, I am saying that all these are issues which will have to be considered very very carefully. And I have said that I would look into them and come back to Parliament with any scheme that we might have very very soon.

Export of F.C.V. Tobacco to China

*105 DR YELAMANCHILI SIVAJI: Will the Minister of COMMERCE be pleased to state:

(a) whether Government have initiated any efforts to revive export of F.C.V. tobacco to China, and

(b) if so, what are the details thereof?

THE MINISTER OF COMMERCE WITH ADDITIONAL CHARGE OF THE MINISTRY OF LAW AND JUSTICE (SHRI SUBRAMANIAN SWAMY): (a) and (b) A statement is laid on the Table of the House.

Statement

(a) Yes, Sir

(b) Exports of tobacco to China have been permitted on D A (Documents against Acceptance) terms with a time stipulation of 30 days, as a special case The Tobacco Board is in regular touch with the authorities of the Chinese National Import and Export Corporation (CNTIEC) requesting them for placement of export orders. Indian tobacco exporters are advised by the Tobacco Board to maintain regular contact with the CNTIEC for securing export orders. The Chinese authorities are also requested to increase imports of Indian tobacco during the bilateral trade talks.

DR YELAMANCHILI SIVAJI: Sir, the hon. Minister has said that the exports of tobacco to China have been permitted on documents against acceptance. Sir, having been Governor of Andhra Pradesh, you know the importance of F C V tobacco to the Guntur and the Prakasam Distrtcs of Andhra Pradesh. To almost all countries the F C.V tobacco is exported on the basis of documents on presentation In that case why is it that he has shifted and changed it from documents on presentation to documents against acceptance in the case of China?

SHRI SUBRAMANIAN SWAMY: The main reason is that the production of tobacco in China has increased in a very large measure. In fact in the decade it has doubled Therefore, the Chinese interest today is really for blending of tobacco. For that they are importing very small quantities from abroad particularly from Brazil, Zimbabwe and India In that context, since there are no large quantities involved, we feel this is the best procedure to orgnaise the exports

DR YELAMANCHILI SIVAJI The Minister is not giving a straight reply My specific question is: why has the system been changed from documents on presentation to documents against acceptance The system of documents on presentation is accepted by almost all importing countries of tobacco as far as the F C V tobacco is concerned. He is not answering that question In that context I would like to ask the hon Minister that after 20 years the Chinese entered the Indian market about a decade back to import tobacco on a large scale importing more than

20,000 tonnes in that particular year. But due to the failure of the quality control agency of the Government of India to maintain the quality control, the Chinese went back and the import of tobacco has been thwarted and no tobacco is imported by China from India It has been discontinued. Had the Chinese continued to import tobacco from India, the tobacco growers might have got a little higher price in the season But no effort has been made by the Government of India to restore tobacco trade with China. The hon Minister has mentioned in his reply that some bilateral trade talks took place and in those talks some irritants might have cropped up What are the irritants raised by the Chinese in this regard?

The hon Minister has also said that the Indian Tobacco Board has been advised to ask all the tobacco exporters to contact and consult the Chinese importers It would not suffice. Is there any proposal on the part of the Government to have a dialogue with the Chinese on the Government-to-Government level so that more tobacco may be exported and more tobacco export may be revived to China?

SHRI SUBRAMANIAN SWAMY The hon. Member is normally well informed, but on this particular subject he seems to have slipped. Let me quote the actual quantity of exports last year 1989-90 compared to 1990-91.

MR CHAIRMAN His question is for exports to China

SHRI SUBRAMANIAN SWAMY Yes, Sir. I am talking of exports to China

DR. YELAMANCHILI SIVAJI No, my specific qutstion is that after a gap of 20 years, the Chinese entered the Indian market about ten years back During that particular single year the Chinese bought more than 20,000 tonnes of tobacco from Guntur and Prakasam districts, but within a year due to the failure of the Government of India to maintain some quality control, the Chinese withdrew from the Indian market and they are importing the tobacco from other countries like Brazil, Zimbabwe and, . .

MR CHAIRMAN: He has followed you He says that they are importing from India.. (*Interruptions*) He says the Chinese are still importing (*Interruptions*)

DR. YELAMANCHILI SIVAJI: No They have revived their import recently and they tried to import .

SHRI SUBRAMANIAN SWAMY. If he already knows the answer to the question, why did he file a question? I am giving him correct facts

MR CHAIRMAN· No Questions are asked not only to elicit information, but they are also asked to put the Government in an awkward position

SHRI SUBRAMANIAN SWAMY Well, Sir He will have to do a better job than he is doing

MR CHAIRMAN That you have been doing all that time

SHRI SUBRAMANIAN SWAMY. Maybe, I can teach him a trick or two in this

MR CHAIRMAN Then you take him outside

SHRI SUBRAMANIAN SWAMY O K, Sir

MR CHAIRMAN Lord Subramanaya taught his father also

SHRI SUBRAMANIAN SWAMY· Last year, in 1989-90, the export tobacco to China was 100 tonnes only

Then, this year that is ending March 31st, we have already a contract and expect to export 640 tonnes

DR YELAMANCHILI SIVAJI: No, I specifically mentioned, about ten years back they imported more than 20,000 tonnes of tobacco Why do you say about 100 tonnes of last year? Last year it was a dismal thing It slipped down to 100 tonnes.

DR. G. VIJAYA MOHAN REDDY: It is a fall-out of the failure.

SHRI SUBRAMANIAN SWAMY If I am permitted, the Member specifically said that there are no more exports from India to China That is false That is not correct. What is correct is this: Yes, exports have declined That is a fact In 1981-82, export to China was 30 376 tonnes It has declined to zero in 1984-85 and 1985-86 After remaining at very low level this financial year which is going to be completed, it has sharply increased So the main problem is that China has become increasingly self-sufficient in tobacco production and they require our tobacco only for blending. This is the reason why they are cutting on imports Nevertheless, in view of the hon Member's interest .

MR CHAIRMAN National interest also

SHRI SUBRAMANIAN SWAMY· Yes, in the interest of the country also, we are proposisng to take it up with the Chinese Government to increase our exports of tobacco

DR YELAMANCHILI SIVAJI· Sir, I hope that I may not be arrested for putting more supplementary questions to the Minister

SHRI VITHALBHAI M PATEL· May I know from the Minister whether China has stopped importing tobacco from India because the quality of tobacco supplied to them was bad? May I also know from him what steps his Ministry have taken to export good quality tobacco to the Chinese?

PROF SOURENDRA BHATTACHARJEE You should advise China not to produce more tobacco

SHRI SUBRAMANIAN SWAMY· I must say the hon Member

MR. CHAIRMAN· Don't answer him

SHRI SUBRAMANIAN SWAMY· There were complaints about the quality of tobacco exported by some exporters to China in the year 1981-82 According to the Tobacco Board, there were claims of about $ 7 million against several Indian exporters. A three member delegation consisting of the Chairman of the Tobacco Board, an officer of the STC and officers of the Directorate of Marketing and Inspection visited China in February, 1983, to remove the misunderstandings Since then except for one export company, we have received no complaints about the quality of exports.

MR CHAIRMAN Q No. 106

Setting up of Mini Steel Plants with Chinese Collaboration

*106 SHRI BAL RAM SINGH YADAVA

DR JINENDRA KUMAR JAIN:†

Will the Minister of STEEL AND MINES be pleased to state

(a) whether it is a fact that recently a Chinese delegation had come to India to explore the possibilities of setting up mini steel plants in the country,

(b) whether it is also a fact that China has latest economical and technological know-how for setting up mini steel plants, and

(c) if so, what are the details in this regard and what is Government's reaction thereto?

THE MINISTER OF STEEL AND MINES (SHRI ASHOKE KUMAR SEN) (a) Yes, Sir

(b) Government have not yet received any communication about the use of latest Chinese technology for mini steel plants for our country

(c) The question does not arise Government will consider any proposal for using Chinese technology in all aspects whenever the same is submitted to Government.

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†The question was actually asked on the floor of the House by Dr Jinendra Kumar Jain